

REQUEST FOR PUBLIC COMMENT

Proposal to amend valuation of gift regulations relating to attendance of charitable and political fundraising events

To determine the need for an interested persons' meeting, staff of the Fair Political Practices Commission is soliciting public input relating to proposed amendments to regulation 18946.4 (Tickets to Nonprofit and Political Fundraisers) that would eliminate the "no value rule" for tickets to 501(c)(3) charitable events.

ISSUE: Regulation 18946.4(b) provides an exception from the general gift valuation rule that states that tickets to tax exempt 501(c)(3) organizations' fund raising events have no value. Under this exception, staff has advised that tickets to the Rose Bowl game and Rose Parade have no value.

Should the Commission consider eliminating the "no value rule" exception for tickets or admission privileges for fundraising events by 501(c)(3) organizations. Under this proposed amendment all admissions to nonprofit fundraisers would be valued at the face value of the ticket less any amount of the ticket price that is indicated as a donation to the nonprofit or, in the alternative, the fair market value of any food, beverage, and entertainment provided to the individual.

Staff seeks input on the above and any other related issues identified by participants and invites written or oral comments addressing these topics. Comments may be addressed to Bill Lenkeit, Senior Commission Counsel at the address set forth above, by e-mail at blenkeit@fppc.ca.gov. or by telephone at (916) 327-2020.